



DECLARATION OF COOPERATION BETWEEN THE GOVERNMENT OF THE STATE OF SONORA, THROUGH THE DEPARTMENT OF INFRASTRUCTURE AND URBAN DEVELOPMENT AND THE GOVERNMENT OF THE STATE OF ARIZONA, THROUGH THE DEPARTMENT OF TRANSPORTATION, FOR THE ESTABLISHMENT OF A COOPERATIVE AND COLLABORATIVE ECONOMIC DEVELOPMENT INITIATIVE AND PARTICIPATION IN THE DEVELOPMENT OF A *SAFETY COMMERCIAL LOGISTICAL CORRIDOR PROGRAM*.

Declaration of Cooperation between the Government of the State of Sonora, through the Department of Infrastructure and Urban Development (SIDUR), and the Government of the State of Arizona, through the Arizona Department Transportation (ADOT), for the establishment of a cooperative and collaborative economic development initiative and participation in the development of a *Safety Commercial Logistical Corridor Program*. SIDUR and ADOT are collectively the "Participants."

RECITALS

WHEREAS, the States of Arizona and Sonora share a border of 568 kilometers (353 miles) and have 6 ports of entry that connect the two states;

WHEREAS, the States of Arizona and Sonora have a long history of collaboration in cultural, social, entrepreneurial and shared history, founded on a common entrepreneurial spirit;

WHEREAS, the Arizona-Sonora region is a vibrant binational economy that has experienced significant growth and diversification;

WHEREAS, Arizona and Sonora are strategically situated as ideal gateways for their respective domestic markets;

WHEREAS, both states are working together to create the Arizona-Mexico Corridor, a state-of-the-art binational infrastructure corridor that is an ideal location for investment, job creation and tourism;

WHEREAS, both states are committed to enhancing the safety of the traveling public;

WHEREAS, both states are committed to fostering a corridor that contributes to the safe and secure movement of people and goods and enhances the competitiveness of companies that invest in the region;

WHEREAS, both states recognize the intrinsic relationship between modern transportation infrastructure systems and regional economic development;

WHEREAS, the advancement and development of innovative transport mechanisms facilitate supply chain mobility and enhance the competitiveness of the region;

WHEREAS, Arizona and Sonora have jointly worked to promote and implement truck driver training programs that have positively impacted compliance with safety requirements and enhanced the safety of roads and highways in the region;

WHEREAS, Sonora and Arizona have advocated for and worked together to establish the Safety Corridor between Lukeville and Puerto Peñasco, Sonora with great results for the safety of the traveling public;



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WHEREAS, the deployment of smart technologies can contribute to the efficient and safe flow of trucks and their cargo along the Arizona-Mexico Corridor;

That the use of information technology in freight transport is increasingly important and useful in attracting investment, contributing to security throughout the logistics chain; and

WHEREAS, Arizona and Sonora have worked to create a border environment recognized for its modern facilities and innovative processes, and a corridor that enhances the competitiveness of the region and the companies that operate in it; and

WHEREAS, the Arizona Commerce Authority and the Secretary of Economy of the State of Sonora, have been important partners for economic development in the region.

NOW THEREFORE, BE IT RESOLVED THAT:

FIRST – That Arizona, through the Arizona Department of Transportation, and Sonora, through the Department of Infrastructure and Urban Development, will endeavor to continue to promote and offer technical certification programs that support truck drivers' and trucking companies' compliance with road safety standards and regulations;

SECOND – That Arizona and Sonora will encourage the deployment of innovative systems and technologies that contribute to the safety of the Arizona-Mexico Corridor and that espouse the principles promoted by the *Smart Borders Initiative* in an effort to enhance the competitiveness of the Arizona-Mexico Corridor;

THIRD – That Arizona and Sonora will promote the benefits of these efforts with the goal of attracting new investments to the Arizona-Sonora Megaregion; and

FOURTH – That Arizona and Sonora will endeavor to share non-confidential information with each other in order for Sonora to create the *Safety Commercial Logistical Corridor Program* in an effort to enhance the efficient and safe flow of trucks and supply chains between both states.

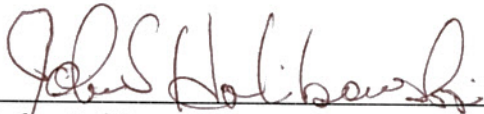
This Memorandum of Understanding will become effective as of the date of its signature and will remain in force for a period of five (5) years, extendable for periods of equal duration.

This Declaration of Cooperation is signed on Friday, November 30 of the year two thousand and eighteen, within the framework of the Plenary Session between the Arizona-Mexico Commission and the Sonora-Arizona Commission, held in Hermosillo, Sonora.

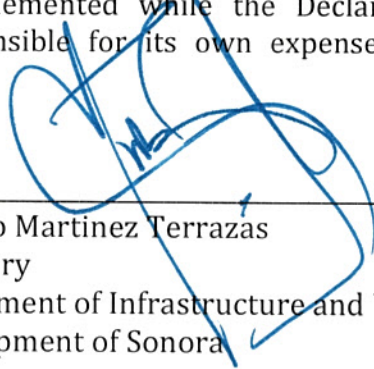
This Declaration of Cooperation is intended to memorialize the Participants' commitment to explore ways to promote collaboration between them, but it is non-binding and does not create any legal or binding obligation between the states. Nothing in this Declaration of

Cooperation should be read to conflict with the laws and regulations of the United States of America or the United Mexican States (or any state or local jurisdiction), or with any relevant international agreements. There are no third-party beneficiaries to this Declaration of Cooperation.

Each Participant may terminate its participation under this Declaration of Cooperation at any time through a written notice of termination to the other Participant. Nonetheless, the Arizona Department of Transportation and the Department of Infrastructure and Urban Development of Sonora should endeavor to give the other party 30 days' written notice of its intention to terminate this Declaration of Cooperation. The termination should not preclude the completion of any cooperative activities implemented while the Declaration of Cooperation was valid. Each state will be responsible for its own expenses in the implementation of this Declaration of Cooperation.

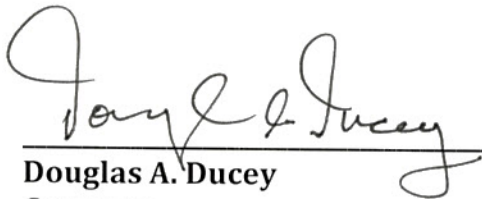


John Halikowski
Director
Arizona Department of Transportation



Ricardo Martinez Terrazas
Secretary
Department of Infrastructure and Urban
Development of Sonora

Honorable Witnesses



Douglas A. Ducey
Governor
State of Arizona



Claudia A. Pavlovich Arellano
Governor
State of Sonora



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